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XIAOBING SUN

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

SHORELINE CAPITAL MANAGEMENT,  
LTD., a British Virgin Islands Company  
limited by shares,

Plaintiff,

vs.

XIAOBING SUN, an individual,

Defendant.

Case No. 5:08-cv-00121-JW

DEFENDANT'S OBJECTIONS TO  
EVIDENCE AND [PROPOSED]  
ORDER

Date: January 25, 2008

Time: 9:00 a.m.

Location: Courtroom 8, 4th Floor

Judge: Hon. James Ware

Defendant Xiaobing Sun ("Sun") submits the following objections to evidence offered and cited by Plaintiff Shoreline Capital Management LTD. ("Shoreline") as contained in declarations in support of Shoreline's *Ex Parte* Application for TRO and OSC Re Preliminary Injunction and for Order Granting Leave To Conduct Expedited Discovery ("Application") and Shoreline's Memorandum Supporting *Ex Parte* Application for TRO and SOC Re Preliminary Injunction and for Order Granting Leave To Conduct Expedited Discovery ("Memorandum").

**OBJECTION NO. 1:**

Mr. Sun objects to and moves to strike that portion of paragraph 2 of the Declaration of Benjamin Fanger which states:

We are viewed in the industry as a leading player almost entirely because of the team we have trained and the trade secrets we employ in our business.

**GROUND FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger does not have personal knowledge pertaining to the basis for or quality of other persons opinions regarding Shoreline.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 2:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Benjamin Fanger which states:

Two of these, Huarong Asset Management Company (Huarong) and Cinda Asset Management Company (Cinda), are particularly inclined to work with Shoreline due to the fact that we have purchased multiple portfolios from each of them.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger does not have personal knowledge pertaining to the basis for or quality of other persons opinions regarding Shoreline and has no personal knowledge of Cinda's or Huarong's inclinations.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 3:**

Mr. Sun objects to and moves to strike that portion of paragraph 5 of the Declaration of Benjamin Fanger which states:

I and my partners have always considered our Shoreline Pricing Model, our Potential Investment List and other company documents to be highly confidential proprietary trade secrets.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger does not have personal knowledge his what his partners' opinions have "always" been.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 4:**

Mr. Sun objects to and moves to strike that portion of paragraph 7 of the Declaration of Benjamin Fanger which states:

The agreement shows Mr. Sun's residential address of the house that he owns and resides in as being located in Newark, California, not far from Campbell, California.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger cites a statement contained in a document, not written by Mr. Sun, for the truth of the matter asserted.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 5:**

Mr. Sun objects to and moves to strike that portion of paragraph 17 of the Declaration of Benjamin Fanger which states:

On August 27, 2007, I received an e-mail . . . from my partner Xiaoling Zhang, in which she stated that our senior asset manager, Yonghui Wu, told her that Mr. Sun solicited Mr. Wu to join him.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger cites a statement contained in a document, which statement itself cites to hearsay, for the truth of the matter asserted.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 6:**

Mr. Sun objects to and moves to strike that portion of paragraph 18 of the Declaration of Benjamin Fanger which states:

On November 11, 2007, Mr. Sun e-mailed a Power Point presentation to Valerie Cooper of Asia Alternatives. . . . On January 7, 7 2007, Ms. Cooper forwarded the November 11th e-mail to me, which is a solicitation of Asia Alternatives as a client. Mr. Sun first met Valerie Cooper in a meeting that I set up as part of Shoreline's fundraising process.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of foundation, personal knowledge and hearsay. Mr. Fanger has no personal knowledge regarding when or if Mr. Sun sent the attached email or any Power Point presentation to Valerie Cooper. Mr. Fanger cites a statement contained in a document, which statement itself cites to hearsay, as evidence of the truth of the matter stated. Mr. Fanger has no personal knowledge of when Mr. Sun first met Valerie Cooper.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 7:**

Mr. Sun objects to and moves to strike that portion of paragraph 19 of the Declaration of Benjamin Fanger which states:

Together with Qiang Du, who had left Shoreline to work with Mr. Sun as a co-founder of Asia LTI. Mr. Sun solicited a meeting with Ms. Cooper in Beijing, which Ms. Cooper accepted. She met with Qiang Du as a result of that solicitation.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of personal knowledge and hearsay. Mr. Fanger has no personal knowledge regarding why Mr. Qiang Du left Shoreline. Mr. Fanger has no personal knowledge of whether Mr. Sun solicited a meeting with Valerie Cooper. Mr. Fanger has no personal knowledge of why or whether Ms. Cooper accepted any such solicitation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_



**OBJECTION NO. 8:**

Mr. Sun objects to and moves to strike that portion of paragraph 20 of the Declaration of Benjamin Fanger which states:

On November 21, 2007. Mr. Sun e-mailed a Power Point presentation to Tripp Gantt of the Washington State Investment Board (the WSIB) . . . Mr. Sun first met Mr. Gantt in our offices in Guangzhou in a meeting that I set up as part of Shoreline's fundraising process.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of foundation, personal knowledge and hearsay. Mr. Fanger has no personal knowledge regarding whether or when Mr. Sun sent an email or a Power Point presentation to Tripp Gantt. Mr. Fanger has no personal knowledge of when Mr. Sun first met Mr. Gantt.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 9:**

Mr. Sun objects to and moves to strike that portion of paragraph 21 of the Declaration of Benjamin Fanger which states:

The Power Point presentation included in the November 29 e-mail is dated August 2007, a month in which Mr. Sun was still an employee at Shoreline.

**GROUND FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of foundation, personal knowledge and hearsay. Mr. Fanger has no personal knowledge regarding whether or when Mr. Sun sent an email to Tripp Gantt. Mr. Fanger has no personal knowledge of when the Power Point presentation was in fact created, whether it was created by Mr. Sun. Citing the written date for the truth of the matter asserted constitutes hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 10:**

Mr. Sun objects to and moves to strike that portion of paragraph 22 of the Declaration of Benjamin Fanger which states:

The August Power Point presentation has false statements about Mr. Sun's employment at Shoreline and also includes a list of deals on the last page that are deals from Shoreline's Potential Investment List and which were sourced by Shoreline before Mr. Sun joined the firm.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack of foundation, personal knowledge and hearsay. Mr. Fanger has no personal knowledge of when the Power Point presentation was in fact created, whether it was created by Mr. Sun. Citing the written date for the truth of the matter asserted constitutes hearsay. Mr. Fanger has no personal knowledge regarding the source of any "deals on the last page" in a document he claims is written by Mr. un and which Mr. Fanger received from a third party.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 11:**

Mr. Sun objects to and moves to strike that portion of paragraph 23 of the Declaration of Benjamin Fanger which states:

On that day, he informed me directly that he was competing in non-performing loans and distressed real estate in China, the exact areas that he expressly agreed not to compete in when he signed the employment offer letter on March 5, 2007. He claimed that he should be allowed to compete since he felt like he was essentially terminated by Shoreline. But he admitted that we never told him he was terminated and his e-mail to Mr. Gantt on November 29 confirms that he left of his own volition: "Since I don't feel it's culture is a good fit for me working at Shoreline, I left before being transformed into a formal employee, then I started a firm with a local lawyer."

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack personal knowledge and hearsay. Each of the above statements, purportedly made by Mr. Sun to Mr. Fanger, is here being offered for the truth of the matter asserted and is therefore hearsay. Mr. Fanger has no personal knowledge of whether or when Mr. Sun sent an e-mail to Mr. Gantt. Mr. Fanger has no personal knowledge as to the accuracy of any statements made by Mr. Sun in any email sent to Mr. Gantt. Mr. Fanger is testifying regarding Mr. Sun's feelings and intentions, about which he has no actual knowledge.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 12:**

Mr. Sun objects to and moves to strike that portion of paragraph 25 of the Declaration of Benjamin Fanger which states:

Because I expressed doubt about Mr. Sun's ability to analyze and price distressed assets, that night Mr. Sun e-mailed me a financial model that was labeled "Asia LTI" on the cover sheet.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack personal knowledge and hearsay. Mr. Fanger is testifying regarding Mr. Sun's motivations and intentions, about which he has no actual knowledge.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 13:**

Mr. Sun objects to and moves to strike that portion of paragraph 26 of the Declaration of Benjamin Fanger which states:

Also because I expressed doubts about his ability to analyze and price assets, in the meeting on December 5, 2007, Mr. Sun showed me financial models on his personal laptop that he stated he had used to price several portfolios for a Chinese investor. He stated he had been paid for this service by the Chinese investor.

**GROUND FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack foundation, personal knowledge and hearsay. Each of the above statements, purportedly made by Mr. Sun to Mr. Fanger, is here being offered for the truth of the matter asserted and is therefore hearsay. Mr. Fanger has no personal knowledge of Mr. Sun's motivations.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 14:**

Mr. Sun objects to and moves to strike that portion of paragraph 26 of the Declaration of Benjamin Fanger which states:

Mr. Sun admitted to me that he used these files to do analysis on new distressed portfolios.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to this statement on the grounds of lack personal knowledge and hearsay. This statement, purportedly made by Mr. Sun to Mr. Fanger, is here being offered for the truth of the matter asserted an is therefore hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 15:**

Mr. Sun objects to and moves to strike the entirety of the Declaration of Xiaolin Zhang on the grounds that its final page, which presumably should contain Mr. Zhang's signature, is entirely illegible. The final page also appears to contain declarations that may have been relied upon in documents filed with this court. As presented, this declaration is unsigned.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_



**OBJECTION NO. 16:**

Mr. Sun objects to and moves to strike that portion of paragraph 2 of the Declaration of Xiaolin Zhang which states:

Xiaobing Sun joined Shoreline on March 28, 2007 and was never fired and did not resign from Shoreline.

**GROUND FOR OBJECTION**

Mr. Sun objects to this statement on the grounds and to the extent that it consists of legal conclusions.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 17:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Xiaolin Zhang which states:

While Xiaobing Sun was an employee at Shoreline, several employees told me that he had told other employees that it would be easy for him to raise a similar fund. Xiaobing Sun even told me that it would be easy for him to raise a similar fund and source deals in China.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of personal knowledge and hearsay. Mr. Zhang offers these third party statements for the truth of the matter asserted. Mr. Zhang's statement "while Xiaobing Sun was an employee" contains a legal conclusion regarding an issue in this case.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 18:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Xiaolin Zhang which states:

On July 17, 2007, Xiaobing Sun, via email, suggested to me that he should be in charge of communication with sellers, investors, LPs and co-investors in Shoreline. All these responsibilities are key to setting up a fund similar to Shoreline.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation, lack of personal knowledge and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 19:**

Mr. Sun objects to and moves to strike that portion of paragraph 5 of the Declaration of Xiaolin Zhang which states:

In December 2007, two Shoreline LPs notified us that Daniel (Mr. Sun) and Qiang Du had contacted them. Daniel and Qiang Du got to know them while they were at Shoreline when LPs visited Shoreline's Guangzhou office. Daniel got the LPs' name cards during a Shoreline meeting. In emails to our LP, Daniel claimed that he had set up his own fund doing the same business as Shoreline.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation, lack of personal knowledge and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 20:**

Mr. Sun objects to and moves to strike that portion of paragraph 6 of the Declaration of Xiaolin Zhang which states:

Qiang Du told that he had seen Xiaobing Sun send Shoreline's portfolio files, pricing materials and financial analysis models to Xiaobing's friend working at Goldman Sachs and Xiaobing Sun did so to convince this friend to join Rongteng. All these portfolios are still under the management of Shoreline and CU and the information Xiaobing Sun sent to his friend at Goldman Sachs was confidential. Revealing these documents and information seriously hurt Shoreline and its investors' interests. Qiang Du also told me that he had already broken up with Xiaobing Sun as he found that Xiaobing Sun was a dishonest person.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation, lack of personal knowledge and hearsay. Mr. Sun objects to these statement on the grounds and to the extent that they consist of legal conclusions.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 21:**

Mr. Sun objects to and moves to strike that portion of paragraph 7 of the Declaration of Xiaolin Zhang which states:

On January 10, 2008, I met Feng Lin who identified Xiaobing Sun in Rongteng's PPM as member of Rongteng. Feng Lin admitted in writing that, while working with Xiaobing Sun at Rongteng, he saw Xiaobing Sun keep Shoreline's financial models, Excel spreadsheets and loan documents in Xiaobing Sun's laptop computer. When Feng Lin saw those materials in Xiaobing Sun's laptop, Xiaobing Sun had already left Shoreline and started working for Rongteng, a competing business. Jianping Zhou, a partner at Rongteng, and also an . . .

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation, lack of personal knowledge and hearsay. Mr. Sun objects to these statement on the grounds and to the extent that they consist of legal conclusions. Mr. Sun also objects to these statements because the final page of the declaration is illegible.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 22:**

Mr. Sun objects to and moves to strike the entirety of the Declaration of Linyu Yang on the grounds that its final page, which presumably contains Mr. Zhang's signature, is almost entirely illegible. The final page also appears to contain declarations that may have been relied upon in documents filed with this court.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 23:**

Mr. Sun objects to and moves to strike that portion of paragraph 2 of the Declaration of Linyu Yang which states:

Every employee knows that working for GD is the same as working for Shoreline. Every employee, upon hire, is instructed that all of Shoreline's work-related data, statistics, documents, and relevant information are confidential.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of personal knowledge and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_



**OBJECTION NO. 24:**

Mr. Sun objects to and moves to strike paragraph 4 of the Declaration of Linyu Yang.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack foundation, lack of personal knowledge and hearsay. The paragraph consists several subsections, each comprising of a string of third party statements offered for the truth of the matters asserted. Each of the subsections should be stricken. Mr. Sun also objects that paragraph 4 is incomplete and illegible. Mr. Sun objects to these statements on the grounds and to the extent that they consist of legal conclusions.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 25:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Yen Wen which states:

Shuikang Sun informed us that our colleague, Mr. Xiaobing Sun had called him on August 15, 2007 and solicited a meeting to discuss potential deals. Shuikang Sun told us that Xiaobing Sun told him on the phone that he was with Shoreline or Guangzhou United and so Shuikang Sun agreed to the meeting. Shuikang Sun informed us that Xiaobing Sun attended the meeting with another former Shoreline employee named Jianping Zhou and arranged to begin due diligence on a potential portfolio of loans for investment. After the meetings, Mr. Zhou and Xiaobing Sun told him that they were not with Shoreline and Guangzhou United anymore and handed Mr. Shuikang Sun a business card with a different company's name on it.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of personal knowledge and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 26:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Weihong Ye which states:

In April 2007, Shoreline Shenzhen and Shoreline Capital delivered to me the Shoreline Employee Handbook, which, to my knowledge, is delivered to all employees on their date of hire. It explicitly explained that use or disclosure of its financial analysis models, Excel work sheets and other relevant documents outside of Shoreline is strictly prohibited.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 27:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Linlin Gong which states:

On February 15, 2006, Guangzhou United and Shoreline delivered to me the Shoreline Employee Handbook, which, to my knowledge, is delivered to all employees on their date of hire. It explicitly explained that use or disclosure of its financial analysis models, Excel work sheets and other relevant documents outside of Shoreline is strictly prohibited.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 28:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Linlin Gong which states:

Through my observations from February 15, 2006 to the present, I have found the Excel financial model used by Shoreline to price debt portfolios is the most important asset/tool of Shoreline. Shoreline's partners and managers try very hard to protect the analysis tool and, to my knowledge, require persons who wish to view the model to first sign a confidentiality agreement.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 29:**

Mr. Sun objects to and moves to strike that portion of paragraph 5 of the Declaration of Linlin Gong which states:

From September to the present, I have observed that Shoreline strictly guards as confidential all lists and information related to any potential investment deal from any asset management company, bank, or other source, I have prepared numerous documents relating to new potential deals and it is common knowledge within the company that information related to new investments or investment analysis are strictly confidential and proprietary to the company.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 30:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Wei Wang which states:

Upon the commencement of my employment at Guangzhou United in September 2007, Shoreline Shenzhen and Shoreline delivered to me the Shoreline Employee Handbook, which, to my knowledge, is delivered to all employees on their date of hire. It explicitly explained that use or disclosure of its financial analysis models, Excel work sheets and other relevant documents outside of Shoreline is strictly prohibited.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation, hearsay and to the extent that the statements consist of legal conclusions.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 31:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Wei Wang which states:

From September to the present, I have realized the Excel financial model used to evaluate the firm's distressed asset portfolios is the most important asset/tool of Shoreline Capital. It is my observation that Shoreline's partners and managers use every possible means to protect the financial model, the intellectual property contained therein, and require anyone that has used or looked at the model to sign a confidentiality agreement.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_



**OBJECTION NO. 32:**

Mr. Sun objects to and moves to strike that portion of paragraph 5 of the Declaration of Wei Wang which states:

From September to the present, I have observed that Shoreline strictly guards as confidential all lists and information related to any potential deals from any asset management company, bank or other source.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 33:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Yonghui Wu which states:

On May 30, 2007 Guangzhou United delivered to me the Shoreline Employee Handbook which is also Guangzhou United Handbook. It explicitly explained that use or disclosure of its financial analysis models, Excel work sheets and other relevant documents outside of Shoreline is strictly prohibited.

**GROUND FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 34:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Yonghui Wu which states:

From May 22, 2007 to the present, I have realized that the Excel financial model used to evaluate the firm's distressed asset portfolios in China is the most important asset/tool of Shoreline. It is my observation that Shoreline's partners and managers use every possible means to protect the financial model, the intellectual property contained therein, and require anyone that has used or looked at the model to sign a confidentiality agreement.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 35:**

Mr. Sun objects to and moves to strike that portion of paragraph 3 of the Declaration of Deguang Zheng which states:

Shuikang Sun informed me that he had received a phone call from Mr. Xiaobing Sun instructing Shuikang Sun not to speak with other people at Shoreline and that Xiaobing Sun should be the new point of contact for any new investment opportunities; also that Xiaobing Sun would come to meet with him on August 15, 2007 to receive information on new investment opportunities.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 36:**

Mr. Sun objects to and moves to strike that portion of paragraph 4 of the Declaration of Deguang Zheng which states:

Mr. Yang replied by email that Xiaobing Sun was not directed by the company to visit Shuikang Sun, and that at no time had Xiaobing Sun asked Shoreline's management if he could represent the company in this way. Mr. Yang then instructed me that we should proceed, as planned and that I and Yan Wen should visit Shuikang Sun at Huarong.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 37:**

Mr. Sun objects to and moves to strike that portion of paragraph 5 of the Declaration of Deguang Zheng which states:

Later in a meeting with Shuikang Sun at Huarong's offices, my colleague Yan Wen and I learned from Shuikang Sun that because he believed Xiaobing Sun to be a member of Shoreline, he had allowed Xiaobing Sun to visit him at Huarong's offices and to receive information on a 29-borrower portfolio of loans, on which Xiaobing Sun proceeded to do due diligence as part of an attempt to close an investment transaction for investors unrelated to Shoreline and unknown to Shoreline. Shuikang Sun informed me that the due diligence was done in Huarong's offices, that it took about one week, and that Xiaobing Sun was joined in this work by Jianping Zhou who is a former employee of Shoreline.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 38:**

Mr. Sun objects to and moves to strike that portion of paragraph 6 of the Declaration of Deguang Zheng which states:

Mr. Zhou informed me that the due diligence that was done on the 29-borrower portfolio at Huarong was completed using Shoreline's laptop, financial models and other analysis tools, which Xiaobing Sun still had at the time of the visit to Huarong. He also informed me that as a result of their work on this portfolio, they were paid a fee by the investor whom they represented and that the investor bought the portfolio.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

**OBJECTION NO. 39:**

Mr. Sun objects to and moves to strike that portion of paragraph 7 of the Declaration of Deguang Zheng which states:

Mr. Zhou has shown me the electronic files from the due diligence of the 29-borrower portfolio on his portable USB flash drive. A significant part of the models and reports used in the due diligence are the same as Shoreline's financial models used in the acquisition of portfolio "#1233", which I understand are Shoreline's proprietary and confidential trade secrets.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation and hearsay.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_



**OBJECTION NO. 40:**

Mr. Sun objects to and moves to strike that portion of paragraph 8 of the Declaration of Deguang Zheng which states:

I believe that when Xiaobing Sun, while still technically an employee of Shoreline, used Shoreline's confidential electronic files (which I viewed on Mr. Zhou's flash drive), to close the investment in the 29-borrower portfolio for a direct competitor of Shoreline's whom Xiaobing Sun had sought out for this purpose, it was seriously detrimental to Shoreline's interests.

**GROUND'S FOR OBJECTION**

Mr. Sun objects to these statements on the grounds of lack of foundation and to the extent that it consists of legal conclusions.

**COURT'S RULING ON OBJECTION**

Date: \_\_\_\_\_

Sustained: \_\_\_\_\_

Overruled: \_\_\_\_\_

1 DATED: January 24, 2008

NASSIRI & JUNG LLP

2  
3 By: /s/ CHARLES H. JUNG  
CHARLES H. JUNG

4 Attorneys for Defendant  
5 XIAOBING SUN

6  
7  
8 IT IS SO ORDERED.

9  
10 DATED: \_\_\_\_\_

By: \_\_\_\_\_  
HON. JAMES WARE